



June 11, 2013

Sequestration Update: Information to DC Local Education Agencies

On March 1, 2013, President Obama signed an order putting the sequester, an automatic cut in federal funding, into effect. Most federal education programs are forward-funded, meaning the state receives the majority of the federal fiscal year funding on July 1, at the end of the federal fiscal year for use primarily in the following fiscal year. The U.S. Department of Education (USDE) has reported that forward-funded programs will not be retroactively cut back. Therefore, any resulting budget reductions will be implemented with allocations for the 2013-14 fiscal year.

The across-the-board cuts in funding are set at approximately 5 percent, overall. In the District of Columbia, the sequestration will result in the loss of an nearly \$3 million in Title I Grants to Local Education Agencies and \$650,000 in Title II Preparing, Training, and Recruiting High-Quality Teachers and Principals, and an estimated \$900,000 in IDEA Part B Grants to States. Other Federal grants will be impacted as well. These reductions affect not only the allocations to LEAs, but the funding of state-level activities within the Office of the State Superintendent of Education (OSSE). Differences in poverty levels and numbers of students served are factored into the funding formulas and may result in a greater or lesser reduction for individual LEAs. This information will allow you to plan your federal budgets appropriately, but with the knowledge that revisions may be required.

The sequestration applies only to funds appropriated in the upcoming school year, 2013-2014. Please note that while the sequestration reduces funding levels for these programs, it does not change the underlying statutory requirements that govern program operations. *There is no change in maintenance of effort requirements, supplement not supplant rules, hold-harmless requirements or state or local reservations of funding for required activities.*

The table below shows the allocations for federal grants received in SY 2012-2013 and expected allocations for SY 2013-2014, as well as the variance between those years. The following programs are included: Title I, Parts A, C and D; Title II, Part A; Title III, Part A; Title IV Part B; Title VII, Part B; IDEA Part B and IDEA Preschool; Carl D. Perkins CTE Title I; Adult Education and Literacy Education, Head Start, District of Columbia Tuition Assistance (TAG), Personal Responsibility Education Program (PREP); and Child Care Development Fund.

OSSE will continue to update your estimated allocations and share any further information or updates we receive from the U.S. Department of Education in the coming months as final allocations for each state are determined by USED.

Should you have any questions, please feel free to contact the Office of Grants Management and Compliance at osse.grantscompliance@dc.gov.



Table A: Federal Funds Impacted by Sequestration

Federal Award Program	SY 2012-13 Funding Levels	SY 2013-14 Funding Levels	Variance	Percent Adjustment
ESEA, Title I, Part A Grant to Local Educational Agencies	\$46,617,803	\$44,058,210	-\$2,559,593	-5%
ESEA, Title I, School Improvement Grant (SIG)	\$1,506,996	\$1,429,465	-\$77,531	-5%
ESEA, Title I Part C and Part D, Delinquent and Negligent Youth	\$261,618	\$247,437	-\$14,181	-5%
ESEA, Title II, Part A Improving Teacher Quality	\$11,493,668	\$10,844,660	-\$649,008	-5%
ESEA, Title III, Part A English Language Learners	\$709,422	\$894,422	+\$185,000	+26.11 %
ESEA, Title IV, Part B: 21 st Century Community Learning Centers	\$5,643,199	\$5,361,039	-\$282,160	-5.21%
ESEA, Title VII, Part B: Education for Homeless Children and Youth	\$195, 297	\$185, 038	-\$10,259	-5%
Individual with Disabilities Education Act, Part B (611 & 619)	\$17,319,779	\$16,394,803	-\$924,976	-5%
Individual with Disabilities Education Act, Part C	\$2,170,499	\$2,061,974	-\$108,525	-5%
CTE Act Title I, Carl D Perkins	\$4,214,921	\$4,214,921	\$0	No Change
Adult Basic and Literacy Education (AEFLA and WIA §503)	\$1,299,005	\$1,234,054	-\$64,950	-5.2%
Head Start (HAS §639)	\$125,000	\$118,413	-\$6,587	-5.27%
Child Care Development Fund	\$9,856,524	\$9,592,046	-\$264,478	-2.7%
District of Columbia Tuition Assistance Grant	\$30,000,000	\$28,500,000	-\$1,500,000	-5%
Personal Responsibility Education Program	\$250, 000	\$237, 500	-\$12,500	-5%
Total	\$131,663,731	\$125,373,982	-\$6,289,748	